

Appendix A
to the
Wisconsin Works (W-2) and Related Programs Contract
for the period January 1, 2006 through December 31, 2009

Allocations for the 2006-07 Period of the 2006-09
Wisconsin Works (W-2) and Related Programs Contract

The W-2 and Related Programs Allocation Methodology for the 2006-07 Period of the 2006-09 Contract is presented below. Allocation charts are included following the methodology.

Base Allocations

The available funding for the 2006-07 period of the 2006-09 W-2 and Related Programs Contract is \$224,454,200. This funding anticipates serving an average monthly paid caseload of 7,500 participants during the next two year period based upon our program's results in moving participants into employment during the 2004-05 contract period. Efforts will continue to enhance services so that individuals in the program experience positive outcomes.

The Base Allocation for the W-2 and Related Programs is identified by W-2 geographic area (See 2006-07 W-2 and Related Programs Base Contract Allocations By Geographic Area chart) and includes three parts:

- Administration: funding for the costs of management and overhead related to the operations of W-2 and Related Programs within the agency. This includes costs associated with intake, screening and TANF eligibility determination, and other shared costs as determined by the approved federal cost allocation methodology for the agency.
- Services: funding for services and staff costs related to the provision of services and other non-benefit allowable expenditures.
- Benefits: funding for Community Service Job (CSJ), W-2 Transition (W-2T), and Custodial Parent of an Infant (CMC) payments.

The sum of Administration, Services, and Benefits is the Base Allocation. These allocations are the funding levels for the first two years of the 2006-09 W-2 and Related Programs Contract.

In addition, the following assumptions were used in developing the base allocations within Balance of State (BOS) and Milwaukee:

BOS

- 1) There was no minimum caseload assumption.
 - 2) All BOS geographic areas shared equally in the statewide funding reduction from the current 2004-05 level. The 2004-05 funding was allocated by geographic area using the weighted caseload methodology which is explained in detail in Appendix A of the RFP to Administer W-2 and Related Programs for 2004-2005.
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The RFP to Administer W-2 and Related Programs for 2004-2005 can be found at <http://dwd.wisconsin.gov/dws/w2/rfp/2004-2005/default.htm>.

- 3) All funds have been allocated.

MILWAUKEE

- 1) The total Milwaukee Base Allocation was allocated among three Functional Services developed to provide services to W-2 applicants and participants in Milwaukee. The three functional services are Case Management, Job Development and Placement, and SSI Advocacy.
- 2) The Case Management and Job Development and Placement Allocations are further allocated to each Milwaukee Region based on the following:
 - a. Administration Funding – The Case Management Agency (CMA) receives 10% of total contract funding and the Job Development and Placement Agency (JDPa) receives 12% of total contract funding for their Administration costs.
 - b. Services Funding – The CMA and JDPa Services funding amounts are allocated among the five Milwaukee regions based on each region's percent of the total Milwaukee May 2005 During the Month Paid and Unpaid Caseloads combined.
 - c. Benefits Funding – The CMA Benefits funding amount is allocated among the five Milwaukee regions based on each region's percent of the total Milwaukee May 2005 During the Month Paid Caseloads. The JDPa does not receive benefits funding.
- 3) The SSI Advocacy Funding Allocation is for one agency to serve the entire Milwaukee area. This agency receives Administration, Services and Benefits funding. The Administration funding is 10% of the total contract.

Base Allocations Subject to Incentive Earnings

Twenty percent (20%) of the Services and service-related Administration Allocations must be earned based on successful outcomes for those W-2 Contract Agencies who meet the definition of a large W-2 contract agency as outlined in Appendix C. A listing of these W-2 Contract Agencies and their allocations that are subject to Incentive Earnings is included following the allocation charts (See 2006-07 W-2 Base Allocations Subject to Incentive Earnings by W-2 Contract Agency).

Funding Outside the Base Allocation

Other funds available to W-2 Contract Agencies but not reflected in the Base Allocation for the 2006-07 period of the 2006-09 W-2 and Related Programs Contract include the following:

- Job Access Loan (JAL) funds – An allocation chart for JALs will be released prior to the start of the Contract Period.
- Children First funds – These funds will be based on future decisions regarding the administration of the program.
- Supplemental FoodShare Employment and Training (FSET) funds – In addition to the base contract funding, each BOS and Milwaukee Case Management W-2 Contract Agency will receive an FSET Supplement allocation and have the opportunity to request Match for local funds they use in administering the FSET program provided the source of local funds is an allowable source in accordance with federal regulations.

- Contracted Child Care funds – These funds will be based on a specific plan submitted by the W-2 Contract Agency and approved by the Department.

Cost Allocation

Expenditures of funds provided through the Base Allocations must be in accordance with the Department's federal cost allocation plan and related cost reimbursement policies.

Child Care Eligibility

The Base Allocation for BOS and Milwaukee Case Management W-2 Contract Agencies includes funding for determining eligibility for the Wisconsin SHARES program. The BOS and Milwaukee Case Management W-2 Contract Agencies are responsible for providing this service either directly or by subcontracting with another qualified agency to determine eligibility using funds from their W-2 and Related Programs Contract funding.

Tribal TANF

In the event that a Tribal Nation elects to create a Tribal TANF program, the W-2 Base Allocations may be adjusted to reflect the Tribal share of the State TANF Block Grant funds.